



Department of Energy

Washington, DC 20585

July 29, 1997

MEMORANDUM FOR: FIELD CHIEF FINANCIAL OFFICERS

FROM:

ELIZABETH E. SMEDLEY
ACTING CHIEF FINANCIAL OFFICER

Elizabeth E. Smedley

SUBJECT:

CLARIFICATION OF POLICY TO WRITE-OFF LEGACY
WASTE FACILITIES

This is to clarify guidance issued on October 25, 1995, on writing off facilities used to treat, store, and dispose of legacy waste. Clarification is needed to address issues raised in an audit finding issued by the Office of Inspector General. The finding indicated that field offices had not implemented this policy consistently. Some had written off the entire net book value of facilities involved in addressing legacy waste, while others wrote off only the portion related to legacy waste, leaving the other portion on the books. The intent of the policy is to write-off the entire book value of facilities and other supporting assets whose primary purpose, i.e., greater than 50%, is to address environmental legacy waste. If the greater than 50% criteria is not met for legacy waste, the entire book value should remain on the books.

Please make any adjustments deemed necessary to comply with this clarification. If you should have any questions, please call Robert Myers on (202) 586-8609.



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